GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1119
ANSWERED ON:23.11.2001
CREDIT TO FILM INDUSTRY
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Will the Minister of FINANCE be pleased to state:

(a) whether some earning branches and film industry feel that some of the RBI`s guidelines for film financing issued on May 14, 2001 are unrealistic;

(b) if so, the details thereof; (

(c) whether the Government have any plan to modify the guidelines, in order to make it more popular;

(d) if so, the details thereof;

(e) if not, the reasons therefore;

(f) the names of the banks which have started film financing; and

(g) the names of the producers those who have received loans for their projects?

Answer

THE MINISTER OF STATE IN SHRI BALASAHEB VIKHE PATIL THE MINISTRY OF FINANCE

(a) to (g) After the issue of RBI guidelines for film financing on 14th May, 2001,there are no reports to suggest that the guidelines are unrealistic. However, the financing scheme will be reviewed at a later stage by the various banks, if required, based on banks` experience in terms of growth and quality of related asset portfolio. As on 30th Sept., 2001, various public sector banks have financed 167 commercial films involving an amount of Rs.174.78 crore. However, in accordance with the practices and usages customary amongst banks and in conformity with the provisions of statutes governing public sector banks and financial institutions as also the provisions of Public Financial Institutions (Obligation as to Fidelity and Secrecy) Act, 1983, details relating toindividual constituents cannot be divulged.